

North Dakota Lottery  
600 East Boulevard Ave. - Dept. 125  
Bismarck, ND 58505-0040  
(701) 328-1574 or (877) 635-6886

**Retailer License Agreement**

July 1, 2006

Scope and Term of Agreement:

1. This Retailer License Agreement (Agreement) is between the "Retailer" and "North Dakota Lottery" (Lottery) and governs the Retailer's lottery activity.
2. This Agreement is effective when the Lottery executes it and will be in effect through September 30, 2007, unless the Retailer's license is relinquished, suspended, or revoked.
3. The terms of this Agreement are in addition to the provisions of the lottery law and rules.

The Retailer Agrees:

1. To comply with and instruct its employees on this Agreement and the lottery law and rules;
2. To control and supervise its employees selling and redeeming tickets and agrees that it is fully responsible and accountable for its employees' conduct;
3. To provide sufficient staffing to assure prompt service to players during business hours;
4. To sell tickets only on the site referenced on the license;
5. To make the purchase of tickets readily accessible to the public;
6. To explain the game rules to customers, when asked;
7. Not to condition the sale of a ticket on the purchase of any other item or service, or impose any unauthorized restriction on the sale of a ticket;
8. To post all of the Lottery's signage and point-of-sale items in the window or near the terminal as prescribed by the Lottery;
9. To abide by the Lottery's promotional and advertising policies and guidelines;
10. To immediately report to, and cooperate with, the Lottery in investigating any lost, stolen, or previously cashed winning ticket, altered or counterfeit ticket, misplaced or stolen ticket stock, or any other lottery-related unlawful activity;
11. Not to modify or dispose of any supplies or equipment provided by the Lottery or its vendor;
12. To provide sufficient counter space for the terminal and a clear viewing space for the customer display unit and winning number/jackpot awareness sign, and electronic logo backlit and jackpot awareness/call-to-action signs;
13. To locate the terminal at a point of purchase approved by the Lottery or its vendor;
14. To immediately notify the Lottery's vendor of any communication, malfunction, or "out of order" condition of the terminal;
15. To permit the Lottery's vendor to install all necessary equipment to operate the terminal;
16. That the Lottery may require the Retailer to maintain a minimum average level of sales of \$250 per week;
17. If requested by the Lottery, to provide a security deposit in an amount set by the Lottery if the Retailer does not maintain a favorable credit history or has an NSF sweep;
18. If requested by the Lottery, to maintain a separate bank account for EFT transactions;
19. That all tickets issued by the terminal and not sold are deemed to be bought and owned by the Retailer. No ticket may be cancelled;
20. To be accessible to individuals with disabilities as may be required under Title III of The Americans with Disabilities Act;

21. To redeem winning tickets of less than \$600 based on the Retailer's cashing policy;
22. Not to use the Lottery's logo, slogan, or name without the Lottery's authorization;
23. Not to display or publish Lottery-related items that may be derogatory or adverse to the operation or dignity of the Lottery;
24. That its employees will not request or demand a gratuity or other remuneration from a player in exchange for performing any obligation required by this Agreement;
25. To perform as an independent contractor of the Lottery;
26. That an offense committed by the Retailer involving the sale or redemption of a ticket that causes financial harm to the Lottery is the Retailer's responsibility;
27. If a Retailer's employee prints a Lottery ticket for personal use and does not pay for the ticket, the Retailer is responsible for the value of the ticket to the Lottery;
28. That the Lottery's decision to suspend, revoke, or not renew a Retailer's license is final;
29. That the Lottery may remove all lottery-related equipment, signage, and supplies owned by the Lottery or its vendor during the Retailer's normal business hours following a suspension, revocation, or non-renewal of the Retailer's license;
30. That it will be liable for all costs incurred by the Lottery in enforcing this Agreement or in collecting any amount due to the Lottery from the Retailer, including attorney fees; and
31. That the Retailer may relinquish its license at any time upon notifying the Lottery.

The Lottery Agrees:

1. To pay the Retailer a commission of 5% of the value of tickets or subscriptions sold;
2. To pay the Retailer a bonus for claimed large-tier prizes as prescribed by the Lottery Administrative Rules;
3. To reimburse the Retailer for prizes that the Retailer properly validates and pays;
4. To provide the Retailer with a terminal and all other necessary equipment and pay ongoing maintenance costs, other than cost of electricity;
5. To provide the Retailer with point-of-sale items, ticket stock, and other necessary supplies; and
6. To provide assistance involving marketing, promotional ideas, and in-store promotions.

*The Retailer acknowledges that it has read, understands, and agrees to this Agreement and that failure to comply with any term of this Agreement is a breach of this Agreement for which the Lottery may suspend or revoke the Retailer's license or pursue other remedy:*

Retailer:

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Signature of Authorized Representative and Date

\_\_\_\_\_  
Title

Printed Name & Title of Authorized Representative

\_\_\_\_\_  
Legal Name of Retailer

\_\_\_\_\_  
Street Address of Retailer Business

\_\_\_\_\_  
City, State, & Zip Code of Retailer Business

\_\_\_\_\_  
County of Retailer Business

Lottery:

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Signature of Lottery Director and Date

Charles W. Keller, Director

North Dakota Lottery

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